

Frequently Asked Questions (FAQs)

About FCC Form 477

(Local Competition and Broadband Reporting)

Updated as of: 5/1/00

(NOTE: These FAQs provide information to clarify particular points in the Instructions for FCC Form 477. They are not a substitute for the Instructions, which are available at www.fcc.gov/formpage.html.)

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Filing procedures

1. What is the Certification Statement and how do I file it?

The Certification Statement (also referred to as Transmittal Letter and Certification Statement) is page 12 of the Instructions for the Local Competition and Broadband Reporting Form, Form 477. (You can download the Instructions from www.fcc.gov/formpage.html.) You must mail a completed Certification Statement – which must be signed, in ink, by an officer of the filer or one of the legal entities whose data are being reported – to the address provided at the top of the Certification Statement (i.e., Industry Analysis Division; Rm. 6-A220; 445 12th St, SW; Washington, D.C. 20554). The 3.5-inch IBM-format floppy disk (or disks) containing your completed Form 477s should accompany this original, signed Certification Statement. Also, you must mail a paper copy of (only) the Certification Statement to the Commission’s contract copier (i.e., International Transcription Services; 1231 20th St, NW; Washington, D.C. 20036. (See also pages 9-11 of Instructions.)

2. May a single Certification Statement cover multiple Form 477s (e.g., for multiple states; for non-ILEC and ILEC operations; for multiple study areas in a single state; for complete and redacted data)?

Yes. A single Certification Statement covers the precise number of Form 477s (i.e., individual spreadsheet files) that you specify on the Certification Statement next to “Number of files provided for this reporting period.” This should be the number of individual spreadsheet files on the floppy disk (or disks) that should accompany the original, signed Certification Statement when it is mailed to the Commission. (See FAQ #1) Note that all spreadsheet files covered by a single Certification Statement should incorporate the same organization name into their file name, and that this should be the holding company or other name that appears in line #4 of the Cover Page of each Form 477 to which the Certification Statement applies. (For the file-naming convention for Form 477, see pages 9-10 of Instructions.)

3. May the same person sign the Certification Statement and also be identified on it as the Contact Person for the filing?

The officer who signs the Certification Statement may also be the Contact Person for the filing. In that case, Commission staff will contact that officer if there are any follow-up questions about details of the filing.

4. May I submit the Certification Statement electronically to FCC477@fcc.gov?

If you choose to e-mail to the FCC a copy of the Excel 97 (preferred) or Generic/WK4 files that contain your completed Form 477s (in addition to the disk(s) that you are required to submit to the FCC by regular mail), you may attach to your e-mail a word processing document (preferably in Microsoft Word) that contains a copy of your completed Certification Statement except for the officer's signature, which is required to be in ink. You must, however, mail the original, signed Certification Statement to the Commission, as specified in FAQ #1. You may not cut-and-paste or otherwise incorporate, in any way, the Certification Statement into the Excel 97 (preferred) file, or the Generic/WK4 file, that contains a copy of your completed Form 477s.

5. May I file a paper copy of Form 477?

No. The Instructions direct providers to mail the completed Form 477s (as electronic spreadsheet files on 3.5-inch IBM-formatted floppy disk) to: Industry Analysis Division; Rm. 6-A220; 445 12th St, SW; Washington, D.C. 20554. The floppy disk(s) must be accompanied by a Certification Statement signed, in ink, by an officer of the provider. (See also, FAQ #1 and FAQ #2.) In very limited situations, the Commission may accept paper filings where a party has received prior permission from the Commission. For example, where a provider does not have a computer or spreadsheet software, the provider may contact the Industry Analysis Division, Common Carrier Bureau, at (202) 418-0940.

6. Can I get an extension of the May 15, 2000 filing date?

Entities that are required to file Form 477 on or before May 15, 2000 should file by that date and make a revised filing if significantly different data become available after that date. (What constitutes significantly different data is discussed at page 11 of the Instructions, available at www.fcc.gov/formpage.html, under the heading "Obligation to File Revisions.") The Commission's rules at 47 CFR 1.46(a),(c) apply to this data collection. 47 CFR 1.46(a) states: "It is the policy of the Commission that extensions of time shall not be routinely granted." 47 CFR 1.46(c) states: "If a motion for extension of time in which to make filings . . . is filed less than 7 days prior to the filing day, the party filing the motion shall . . . orally notify . . . the Commission staff personnel responsible for acting on the motion that the motion has been (or is being) filed."

7. Are there penalties for not filing Form 477?

Entities that are required to file Form 477 but fail to do so may be subject to the enforcement provisions of the Communications Act and any other applicable law. In particular, the Commission has authority pursuant to sections 502 and 503 of the Communications Act to enforce compliance by fine or forfeiture.

8. Does an entire filing have to be made electronically; specifically, lists of Zip Codes?

Yes, all filings must be made electronically (see FAQ #4). With respect specifically to lists of Zip Codes in which customers are located, which a provider may be required to report in Part V of Form 477: Such data generally will exist in electronic format in a database used to generate customer bills. A list can be generated within the billing database that “imports” to an Excel 97 spreadsheet, from which it can be cut-and-pasted into the electronic spreadsheet that constitutes Form 477. We expect that providers with extensive geographic operations, as well as many other providers, will have software with such capability.

9. Have you found any “bugs” in Form 477?

Yes. Two minor errors have been discovered since release of the original Form 477. In the original version, filers were not able to enter “zero” as a percentage in a few columns. Also, we have added additional space for Zip Codes. A corrected version has been posted on the FCC’s Internet website, so if you experience any of these problems, please download the form, again.

Holding companies, affiliates, joint ventures, partnerships, operating divisions

10. How should I count lines or subscribers served by my affiliates (including joint ventures, partnerships, etc.) in determining whether I meet the threshold for filing Form 477?

To determine if you meet a particular reporting threshold in Form 477 – i.e., for Part I (separately), Part II (separately), or Part III (separately) – include in your calculations the lines in service of all commonly-owned or commonly-controlled affiliates. For joint ventures, each owner must include in its calculations all lines in service provided by the jointly owned or controlled entity. Do not apportion lines in service among owners. Therefore, the lines in service provided by joint ventures will be counted multiple times when calculating thresholds. NOTE: this methodology is appropriate for calculating reporting thresholds – only. See FAQ #11 for how to report lines under such circumstances.

11. If my company, together with its affiliates (including joint ventures, partnerships, etc.) meets a reporting threshold for one or more parts of Form 477, how do we avoid double counting lines or subscribers when we file Form 477?

If you and your affiliate(s) meet a reporting threshold (see FAQ #10), you may choose to include your affiliate’s total lines in service in your Form 477 filing, your affiliate may make its own filing of Form 477 to report its total lines in service, or another party with an ownership interest in your affiliate may include the affiliate’s total lines in its own Form 477 filing. However, if the lines in service by a joint venture or other jointly-owned affiliate are included in your Form 477 filing, they may not be included in any other Form 477 that is filed with the Commission. Under no circumstances should a joint

venture's lines in service be reported in multiple filings of Form 477. If your joint venture or other jointly-owned affiliate files its own, separate Form 477, it should identify itself with one – and only one – of its owners, which is done by reporting that owner's designated holding company name in line #4 of the Cover Page of Form 477.

12. If my firm is a partner in a wireless telephony partnership and the operator of the partnership files a Form 477 to report subscribers served by the partnership, do I also have to file a Form 477 to report all or a portion of the partnership's subscribers?

No. The partnership's wireless telephony subscribers (i.e., activated, revenue-generating handsets) should be reported only once, and by a single entity. The partnership's subscribers should not be apportioned among owners of the partnership. Because the operator of the partnership is reporting, you should not include the partnership's subscribers in any Form 477 that you file to report wireless telephony subscribers. Note, however: You must include all of the partnership's wireless telephony subscribers when you determine if you meet the threshold for being required to submit a completed Part III of Form 477. (See FAQ #10). If you meet that reporting threshold, and if you serve any mobile telephony subscribers that are not reported by one or your partners or by the operator of a partnership, you must file an Form 477 to report those lines.

13. I have both ILEC and CLEC operations in a state. How do I determine their filing status, and how should I report their telephone lines in service?

You must file Part II of Form 477 for a state if the number of voice-grade equivalent local voice telephone service lines provided by your ILEC operations in that state *plus* the number of such lines provided by your CLEC operations in that state is at least 10,000. (You should use the entries in column (a) of D.II-8 for this calculation.) When you report your data, however, you will file a Form 477 containing your ILEC data and a separate Form 477 containing your CLEC information.

Internet Service Providers

14. Do Internet Service Providers (ISPs) have to file Form 477?

Internet Service Providers generally do not have to file Form 477. An ISP is required to file Form 477 only if it is, itself, a facilities-based provider of broadband service – that is, only if it leases or otherwise obtains a line or wireless channel and adds to it the hardware or software that is necessary to transmit information over that line at broadband speed (i.e., 200 Kbps in at least one direction, for purposes of Form 477). For example, an ISP that purchases broadband service (e.g., DSL or cable modem service) and incorporates it into its own Internet access service offering is not required to file Form 477. If, however, the ISP is purchasing that broadband service from an affiliate who provides the service over its own facilities, that affiliate is required to file Form 477 for any state in which it provides at least 250 such broadband lines.

Estimating data

15. What if a provider has no basis for making an estimate specified in Form 477?

Because providers may not collect data in a manner that precisely fits a particular percentage breakout (of lines in service, or of subscribers) that is requested in Form 477, the Instructions allow such providers to make good faith estimates (i.e., estimates accurate within plus or minus five percentage points) based on the databases that are maintained in the usual course of business or on studies done for other business purposes, such as marketing and business plans, demographic data, etc. (See, e.g., page 4 of Instructions, “Note about Reporting Percentage Breakouts.”) If these sources of information are insufficient, a provider should analyze a sufficiently large sample of its customer accounts or its other accounts to determine the relationship between the requested estimate and the data that the provider does have or can easily obtain in the usual course of business.

16. Which local voice telephone lines should be considered residential and small business lines?

Lines provided to customers that purchase fewer than four voice-grade equivalent local voice telephone lines should be considered residential and small business lines. If voice-grade equivalent counts by customer are not available, then the percentage of customers with fewer than four voice-grade equivalent local voice telephone lines should be estimated based, first, upon tariff information contained in billing records and then, if needed, upon demographic information.

Reporting data in different states

17. My firm meets the threshold to report local voice telephone service lines in State #1, and we have a very few such lines across the border in State #2. Are we required to complete a Form 477 for State #2, or can those lines be included in our report for State #1?

No, and no. You are not required to report lines in State #2 if you have fewer than 10,000 voice-grade equivalent lines in State #2. The reporting thresholds – for Part I of Form 477 (separately), for Part II of Form 477 (separately), and for Part III of Form 477 (separately) – apply on a state-by-state basis. In these circumstances, you should report only lines that are in service in State #1.

18. If I have, in a given state, 6,000 local exchange lines and 5,000 mobile telephony subscribers, for a total of 11,000, must I file a Form 477 for that state?

No. Under these circumstances, you are not required to file a Form 477 because you do not meet the threshold for having to report local voice telephone service lines in Part II of Form 477 (i.e., 10,000 voice-grade equivalent lines) and you do not meet the threshold

for having to report mobile telephony subscribers in Part III of Form 477 (i.e., 10,000 revenue-generating handsets).

Reporting resold lines

19. How are resold lines reported on Form 477?

It depends on what type of lines they are and the part of Form 477 in which you are reporting them.

For broadband lines (Part I of Form 477), the facilities-based provider (“wholesaler”) of resold broadband lines should report these lines in column (a) [total broadband lines], but should not include these lines in column (d) [percent billed directly to end users]. The reseller (“retailer”) of these broadband lines would not report the resold broadband lines.

For local exchange lines (Part II of Form 477), each resold line should be reported once by two local exchange carriers. The facilities-based provider (“wholesaler”) of resold local exchange lines should report them in column (a) [total lines], and should include these lines in the percentage reported in either column (c) or (d), as appropriate. Also, the reseller (“retailer”) of these lines should report them in column (a) [total lines], but should not reflect these lines in columns (c) or (d) [percent provided over own facilities or UNEs, respectively].

For mobile telephony lines (Part III of Form 477), the facilities-based provider (“wholesaler”) of resold lines should report these lines in column (a) [total subscribers], but should not reflect these lines in column (b) [percent billed directly to end users]. The reseller of these lines (“retailer”) would not report the resold mobile telephony service.

20. What is the difference between B.II-2 (Total Service Resale) and B.II-3 (other resale)?

In B.II-2, the phrase "Total Service Resale" refers specifically, and exclusively, to services provided to other communications carriers (for resale to end users) under arrangements that meet the requirements of section 251(c)(4) and 252(d)(3) of the Communications Act.

All other local voice telephone service lines provided to other communications carriers for resale to end users should be reported in B.II-3. For example, we understand that some competitive carriers entered some local exchange markets by purchasing incumbent company “centrex” service under retail tariffs (i.e., without benefit of discounts approved by State commissions pursuant to section 252(d)(3)) and reselling that service to their own end-user customers. Any lines provided to other communications carriers under these types of arrangements should be reported in B.II-3.

Reporting broadband lines

21. My firm has at least 250 DSL lines in service in one state, but the speed in the “fastest” direction is 128 Kbps or less for most of these lines. Where do I report these lines?

Do not report these lines. These lines are not being used for local voice telephone service, so they are not reported in Part II of Form 477. Because their “fastest” speed in any direction is not over 200 Kbps, they are not reported in Part I of Form 477. (Also, you do not consider these lines when you determine whether you meet the threshold for completing Part I, or Part II.)

Reporting private lines

22. Should I report point-to-point private lines?

Point-to-point private lines are dedicated lines that connect one end-user location to another location of the same end user. Do not report these lines in Form 477. If you are uncertain whether a private line or a special access line you provide is part of a point-to-point private line, then see FAQ # 23.

Determining when to report a line in Part I *versus* in section C of Part II.

23. What if I provide a line between an end user and another provider and I do not know how the line is provisioned? That is, what if I do not know whether the line is used to provide local exchange service, broadband service, or point-to-point private line service?

If you provide a special access line that connects an end user to another provider and you do not know what service is provided over that line, then report the line in Part II, Section C, Line II-6 of Form 477. Similarly, if you provide a private line that connects an end user to another provider and do not know what service is provided over that line, then report the line in Part II, Section C, Line II-7 of Form 477.

24. Should I report a broadband line that I provide to an end user under a special access tariff in Part II, Section C, Line II-6 of Form 477?

No. Do not report lines you provide as broadband lines in Part II of Form 477. If you are the facilities-based provider of the broadband line, then you should report it in Part I of Form 477.

25. How should I count lines in Part II, Section C of Form 477?

In Part II, Section C of Form 477, report numbers of lines and wireless channels – *not* numbers of voice-grade equivalent lines and wireless channels. For example, if you report in Part II, Section C a DS1 line that connects an end user to another carrier, report that DS1 as 1 (one) line – not as 24 voice-grade equivalents. (Note, however, that if you know a DS1 line is “channelized” so that the end user can use it for voice-grade local

telephone service, it should be reported (as 24 voice-grade equivalents) in Part II, Section A or Part II, Section B of Form 477 – not in Part II, Section C. Also note that if you know a DS1 line connects an end user to a public data network, it should be reported in Part I of Form 477 – not in Part II, Section C.)

26. Should I include the lines reported in Part II, Section C when determining my filing status for Part II of Form 477?

No. Filing status for Part II of Form 477 is based solely upon the provision of local telephone service as measured in Part II, Section D.

27. My firm leases special access lines from other carriers that we use to provide 800 service and similar toll-free calling services to our own end-user customers. Should we report those special access lines in Part II, Section C of Form 477?

No, in these circumstances you do not report on Form 477 the special access lines that you obtain from other carriers. You are providing your end-user customer with a toll service that you charge for on a volume sensitive basis (possibly with some non-recurring or per-month charges). You are not, however, charging your end-user customer for a special access line as such.

28. If I lease an unbundled network element (UNE) loop from another carrier should I report that line in Part II, Section C of Form 477?

No. Part II, Section C, Line II-4 and Part II, Section C, Line II-5 of Form 477 measure loops that you lease to other carriers as UNEs. If you provide a local voice telephone line using a UNE loop that you lease from another carrier, then you should report that line in Part II, Section A or Part II, Section B and also in Part II, Section D of Form 477. You should also consider that line as provided over a UNE loop when reporting the % of voice-grade equivalent lines and wireless channels provided over UNE loops in column (d) of Part II, Section A or Part II, Section B. If you provide a special access or private line using a UNE loop that you lease from another carrier, then you should report that line in Part II, Section C, Line II-6 or Part II, Section C, Line II-7 of Form 477. You should also consider that line as provided over a UNE loop when reporting the % of voice-grade equivalent lines and wireless channels provided over UNE loops in column (d) of Part II, Section C. If you provide a broadband line using a UNE loop that you lease from another carrier then you should report that line in Part I of Form 477.

29. If I lease an UNE subloop from another carrier that I use to provide voice telephone service, should I report it as a line provided over my own facilities (in column (c) of A.II-1) or as a line provided over a UNE loop (in column (d) of A.II-1)?

It depends. If you are leasing a subloop UNE from another carrier and that subloop UNE is on the network side of the loop demarcation point at your end-user customer's premise, include that line only in column (d) of A.II-1. If, however, the only subloop UNE you

are leasing from the other carrier is the inside wire subloop UNE at your end-user customer's premise, then include that line only in column (c) because, presumably, you have your own plant out from the point of demarcation at your customer's premise. (Note, however, that if you are providing a subloop UNE to another carrier, you report it as one line in C.II-4 or in C.II-5, and you report it only if it is a subloop UNE on the network side of the loop demarcation point at the end user's premise; you do not report an inside wire subloop UNE on Form 477.)

"Facilities-based" versus "own facilities"

30. What is "facilities-based" provisioning of a line and how does this differ from provisioning a line over one's "own facilities"?

"Own facilities," for purposes of Form 477, includes facilities that you actually own and also facilities that you obtain the right to use as dark fiber or satellite transponder capacity (and that you use as part of your own system). (See page 4 of Instructions.) The term "facilities-based" is more inclusive in the context of Form 477. In particular, in Part I of Form 477, "facilities-based" broadband lines include any broadband lines that you provide over your "own facilities" (as just discussed) but it also includes any broadband lines that you provide by leasing UNE loops or other lines from other service providers and adding to those lines the hardware or software necessary to convert them into broadband lines. (See page 3 of Instructions for the definition of "broadband" in the context of Form 477.) Thus, for example, if you lease a UNE loop from a carrier and place equipment on the loop that enables it to be used as a broadband line, then you are the "facilities-based" provider of that line (and you report that line in column (a) of Part I if you meet the reporting threshold for Part I of Form 477) – but that line is not provided over your "own facilities" (so you do not include that line in the % of broadband lines and wireless channels provided over your own facilities in column (c) of Part I).

Reporting mobile telephony subscribers

31. Where do mobile wireless providers report their use of broadband PCS spectrum, in Part I or in Part III of Form 477?

The answer to the question depends on what specifically the mobile wireless provider is reporting, i.e., information regarding local competition or broadband services. If a facilities-based mobile provider is using its spectrum license(s) to provide real-time, two-way switched voice service (as defined in the Report and Order and noted at page 2 of Instructions), then it should report such local competition information in Part III of Form 477. The Commission believes that even the limited data requested in Part III would enhance its understanding of the developing potential of mobile telephony as a substitute for wireline local service. We note, however, if a facilities-based mobile provider is using its spectrum license(s) to provide broadband services (as defined in the Order, and noted at page 3 of Instructions), it must report the number of such subscribers, by state, in Part I of Form 477.

32. How should a mobile wireless provider report mobile telephony subscribers when a business customer purchases the service for use by a number of its employees?

Count as one subscriber each activated, revenue-generating mobile handset, car-phone, or other voice unit that is billed to the business customer. (See page 8 of Instructions about using handsets, etc. to count subscribers.) Include the total number of these units in your report for the state in which the business customer is located.

33. How should providers of prepaid mobile wireless services report those customers?

As noted in the Report and Order, we are aware that providers of mobile telephony services may not have billing address information for their prepaid subscribers. The Commission therefore directed mobile providers to make good faith estimates of the geographic location of such subscribers by state. We anticipate that providers offering prepaid mobile wireless services might look to their in-house marketing information to determine how to allocate their total prepaid subscribers among the states where they offer such services. In the absence of this type of information, the Commission would accept an equal split among the states where such services are offered.